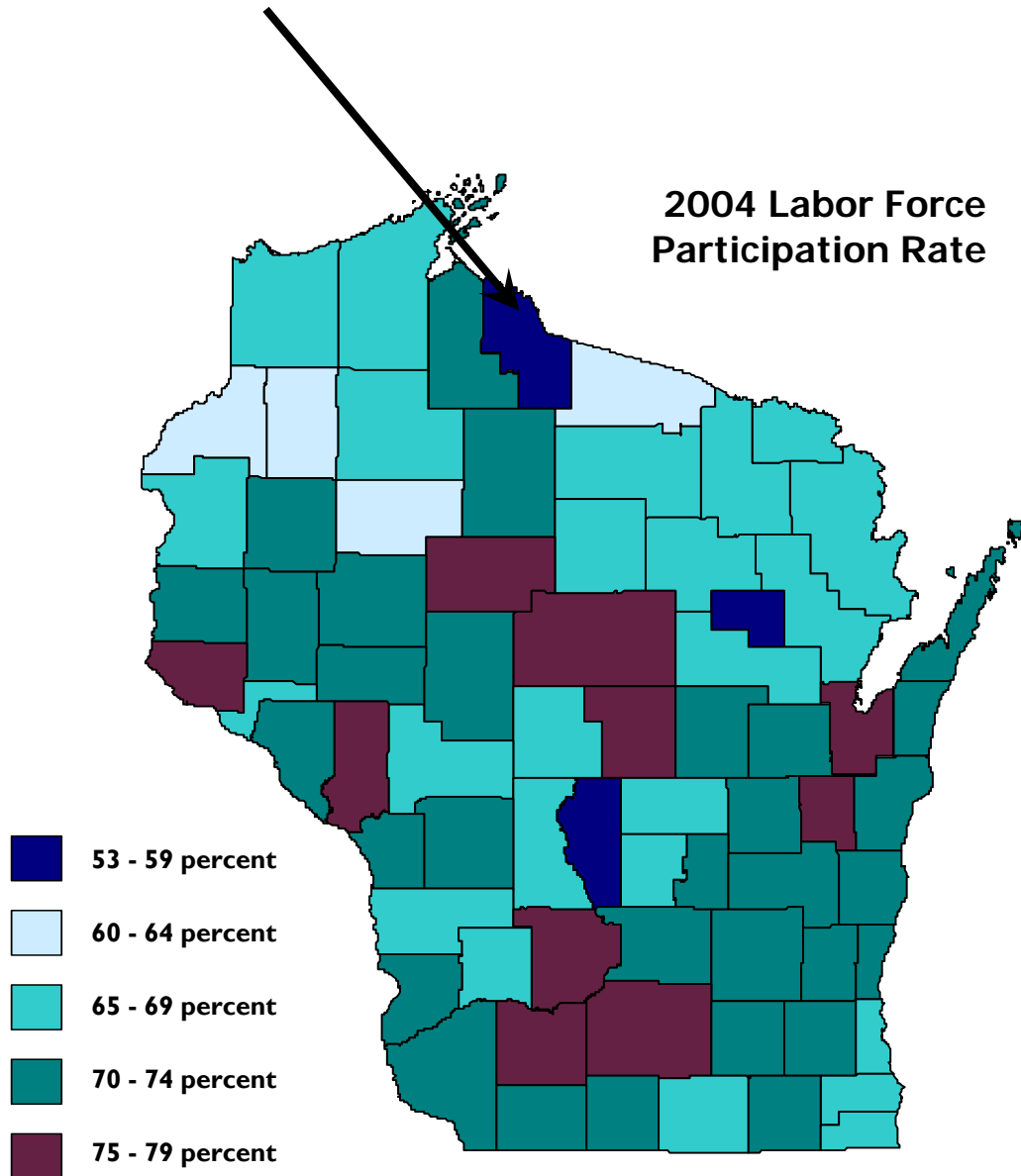


Iron County Workforce Profile



Source: Estimates created by DWD, OEA using data supplied by
U.S. Bureau of Labor Statistics and U.S. Bureau of Census

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State of Wisconsin
Department of Workforce Development
Office of Economic Advisors

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County Population and Labor Force

With 6,922 residents Iron County is one of the least populated counties in Wisconsin and in spite of a loss in population in the last year, there is still an increase since April 2000 of 61 residents. The change from 2000 of 0.9 percent is ranked fifth lowest among the state's 72 counties.

Since 2000 deaths out-numbered births by 202 but a net migration of 263 individuals produced the increase in population. Seven of the twelve municipalities in the county lost population during the period while four gained residents. The largest increases occurred in two of the largest municipalities, the towns of Mercer and Oma. Both areas have a high concentration of residents aged 65 years and older which contributes to the county as a whole having the highest share of residents aged 65 years and older in 2000.

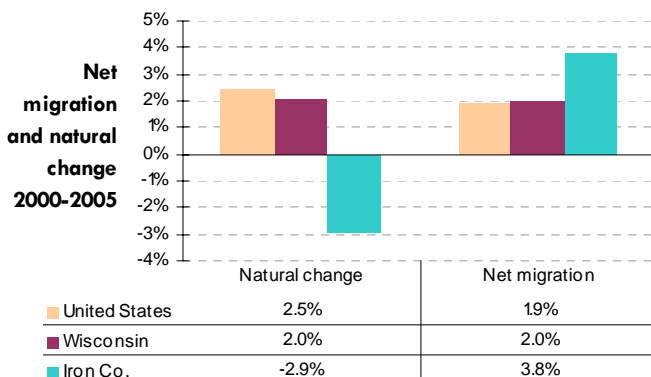
As those residents age and with little regeneration from younger age groups the labor force age population (16 years and older) will also include more elderly residents. By 2020 over 45 percent of the labor force age population will be aged 60 years or more, and with labor force participation rate of elderly residents significantly lower than middle-aged residents, the increase in elderly will dampen labor force growth.

Even though the size of the labor force age population will change little in the next 15 years the labor force will shrink as the age groups with the highest participation, those between 25 and 59 years old, becomes smaller. In fact, the labor force in Iron County may already have reached its high-water mark.

Five largest municipalities in Iron County

	April 2000 Census	Jan. 1, 2005 estimate	Numeric change	Percent change
Iron County	6,861	6,922	61	0.9%
Mercer, Town	1,732	1,817	85	4.9%
Hurley, City	1,818	1,789	-29	-1.6%
Montreal, City	838	822	-16	-1.9%
Kimball, Town	540	538	-2	-0.4%
Oma, Town	355	383	28	7.9%

Source: Wis. Dept. of Administration, Demographic Services, August 2005



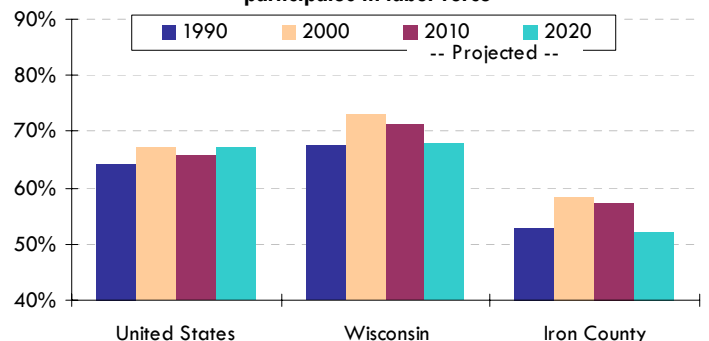
Source: WI Dept. of Admin., Demographic Services & US Census Bureau

Population and Labor Force

	United States	Wisconsin	Iron County
Total population in 2000	281,424,602	5,363,715	6,861
Population est. Jan. 1, 2005	295,160,302	5,580,757	6,922
Change	13,735,700	217,042	61
% change	4.9%	4.0%	0.9%
2005 Labor force population*	224,837,000	4,339,938	5,810
Share of total population	76.2%	78%	83.9%
Labor force	147,125,000	3,071,179	3,326
Labor force participation rate	65.4%	70.8%	57.2%
2005 Population 16 yrs. & over	228,621,674	4,417,313	5,930
16-24 yrs old	37,489,370	743,764	762
Share of population 16+ yrs	16.4%	16.8%	12.8%
25-59 yrs old	142,248,896	2,708,865	3,120
Share of population 16+ yrs	62.2%	61.3%	52.6%
60 yrs and older	48,883,408	964,684	2,048
Share of population 16+ yrs	21.4%	21.8%	34.5%
Projected population: 2020	335,804,546	6,110,878	6,719
Population 16 yrs. & over	264,085,104	4,869,573	5,963
16-24 yrs old	37,918,865	681,586	370
Share of population 16+ yrs	14.4%	14.0%	6.2%
25-59 yrs old	150,678,402	2,756,884	2,872
Share of population 16+ yrs	57.1%	56.6%	48.2%
60 yrs and older	75,487,837	1,431,103	2,721
Share of population 16+ yrs	28.6%	29.4%	45.6%

* civilian population 16 yrs. and older not in an institution

Percent of labor force age population that participates in labor force



Source: special tabulation by OEA using US Census, US Bureau of Labor Statistics, WI Dept. of Admin. estimates and projections

There is the slight possibility that the current labor force participation rate of 57.7 percent will increase slightly as some baby-boomers choose to remain in the workforce instead of retiring but that increase will be short-lived. At best there would be no change from the current labor force size, but more probable is a labor force smaller than today's.

Revised Labor Force

The labor force has declined in each of the last three years in Iron County and the 2005 labor force is the smallest since 2000. It would appear that the labor force peaked in 2002 and will continue to shrink as the number of elderly in the county continues to increase.

All labor force estimates published from 1990 to 2004 have been revised. The more recent years reflect trends revealed during Census 2000 while the 1990s were updated to include changes from 1990 to 2000 but are still based on ratios from the 1990 census.

Over the last 15 years the number of employed in Iron County increased by 400 workers while the number of unemployed changed very little. The most significant increase in the Iron County labor force occurred in the early 1990s with an increase of over 350 jobholders. This increase corresponds with job growth with manufacturing and services employers in the county. Although relatively small the up-tick in employment possibilities did encourage greater labor force participation and the participation rate increased from 53 percent in 1990 to 58.3 percent by 2000.

Iron County Civilian Labor Force Estimates

	Labor force	Employed	Unemployed	Unemployed rate
1990	2,805	2,633	172	6.1%
1991	2,871	2,647	224	7.8%
1992	3,192	2,916	276	8.6%
1993	3,292	3,012	280	8.5%
1994	3,194	2,954	240	7.5%
1995	3,165	2,935	230	7.3%
1996	3,264	2,995	269	8.2%
1997	3,299	3,052	247	7.5%
1998	3,229	2,981	248	7.7%
1999	3,291	3,098	193	5.9%
2000	3,272	3,054	218	6.7%
2001	3,286	3,038	248	7.5%
2002	3,371	3,074	297	8.8%
2003	3,368	3,057	311	9.2%
2004	3,326	3,034	292	8.8%

Source: DWD, Bureau of Workforce Information, Local Area Unemployment Statistics, September 2005

Education Attainment

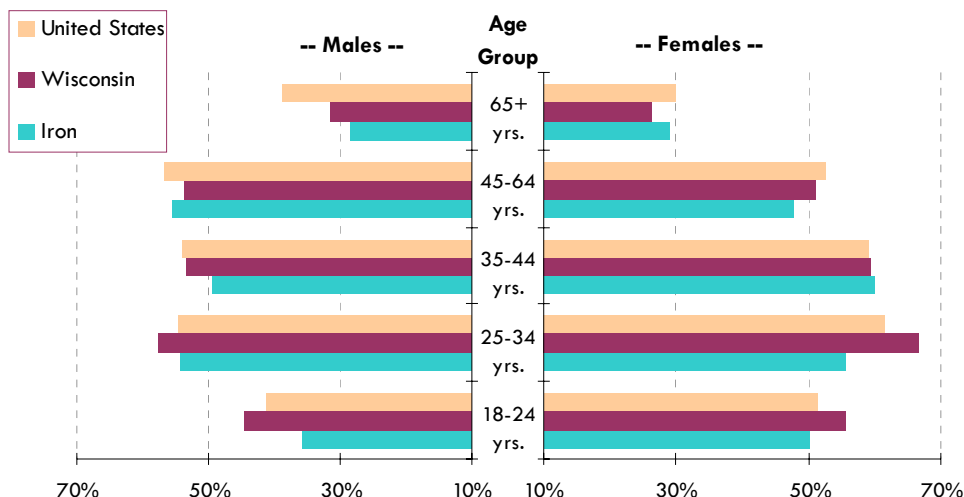
One of the most significant changes in employment that occurred during the last two decades was the shift from goods-producing to service-providing jobs. In tandem with this shift was the increase in demand for professional and technical workers employed in the high-skill services industries and the aggregation of these jobs in larger metropolitan areas.

Much of the job growth in high-skilled service jobs occurred in larger metropolitan areas while expansion in more rural economies produced lower-skilled service jobs and goods-producing jobs. The main exception in rural areas was job growth in health care and education, two industries with female-dominated professional and technical occupations. For

most counties in Wisconsin, including Iron County, this helps explain why there is a greater proportion of females in most of the age groups with post-secondary education than males.

Growth of skilled professional and technical jobs in metropolitan areas attracted individuals from many rural areas. Once students left the area for post-secondary training there were few opportunities to bring them back to Iron County. Compared with the United States and Wisconsin the share by age group of Iron County residents with post-secondary education is less in nearly every category. Any exceptions probably reflect residents that retire in the area.

Residents with post-secondary education



Source: US Census 2000, Summary file 3, QT-P20

Employment and Wages

The trade, transportation and utilities industry super-sector provides more jobs in Iron County than any other sector but the average annual wage earned by workers in the sector, \$19,480 is only 65 percent of the wages paid to workers in the industry statewide. The highest average wage in the county, in natural resources, is paid to only 47 workers while the lowest average wage of \$9,013, in leisure and hospitality, is earned by 344 workers, or 16 percent of the workers with Iron County employers.

The highest payroll in education (both private and public) and health services, is paid to 18.5 percent of the county's workers. The average annual wage for workers in the industry sector, however, is only 77 percent of the average wage paid for counterpart work in the state.

The greatest disparity in wages occurs in financial activities where \$24,066 is only 53 percent of wages statewide. Wages earned by manufacturing workers are only slightly better where \$25,169 is just 57 percent of counterpart workers in the state.

It is no surprise, then, that the all industry average annual wage of \$22,871 is only 66 percent of the state average of \$34,749. Wages are so much lower in Iron County for several

Average Annual Wage by Industry Division in 2004

	2004 Wisconsin	2004 Iron County	Percent of Wisconsin	1-year % change
All Industries	\$ 34,749	\$ 22,871	65.8%	2.0%
Natural resources	\$ 27,399	\$ 33,654	122.8%	8.2%
Construction	\$ 41,258	\$ 30,672	74.3%	-7.9%
Manufacturing	\$ 44,145	\$ 25,169	57.0%	3.0%
Trade, Transportation, Utilities	\$ 30,088	\$ 19,480	64.7%	3.4%
Information	\$ 41,759	suppressed	Not avail	Not avail.
Financial activities	\$ 45,103	\$ 24,066	53.4%	-0.9%
Professional & Business Services	\$ 39,580	suppressed	Not avail	Not avail.
Education & Health	\$ 36,408	\$ 28,071	77.1%	6.3%
Leisure & Hospitality	\$ 12,295	\$ 9,013	73.3%	3.3%
Other services	\$ 20,207	suppressed	Not avail	Not avail.
Public Administration	\$ 36,347	\$ 30,533	84.0%	5.4%

Source: WI DWD, Bureau of Workforce Information, Quarterly Census of Employment & Wages

reasons that include lower hourly wages, fewer professional and high-skilled jobs (where wages are generally higher), and many of the 2,097 jobs are part-time and seasonal.

In the last year the number of jobs declined 2.6 percent. Nearly half of the loss of 57 jobs occurred with employers in education (both private and public) and health services, and in leisure and hospitality. Employers in education and health services have the greatest payroll of all employers covered by Wisconsin's Unemployment Insurance law and the second highest number of jobs.

2004 employment and wage distribution by industry in Iron County

	Employment		Total payroll		
	Annual average	1-year change		% of Total Employment	% of Total Payroll
Natural Resources	47	-7	\$ 1,581,758	2.3%	2.3%
Construction	226	-8	\$ 6,931,861	10.8%	14.5%
Manufacturing	334	5	\$ 8,406,535	16.4%	17.8%
Trade, Transportation, Utilities	446	0	\$ 8,687,877	21.3%	18.5%
Information	suppressed	suppressed	suppressed		
Financial Activities	65	-2	\$ 1,564,269	3.1%	3.3%
Professional & Business Services	suppressed	suppressed	suppressed		
Education & Health	387	-15	\$ 10,863,420	18.5%	23.5%
Leisure & Hospitality	344	-10	\$ 3,100,381	16.4%	6.7%
Other services	suppressed	suppressed	suppressed		
Public Administration	183	-7	\$ 5,587,620	8.7%	12.1%
Not assigned	0	0	\$ 0		
All Industries	2,097	-57	\$ 47,959,793		

Source: WI DWD, Bureau of Workforce Information, Quarterly Census Employment and Wages, June 2005

Industry and Employers by Size

Top 10 Employers in Iron County

Establishment	Product or Service	Size (Dec. 2004)
Hurley School District	Elementary & secondary schools	100-249 employees
Villa Maria Health & Rehabilitation	Nursing care facilities	100-249 employees
Action Floor Systems LLC	Other millwork, including flooring	100-249 employees
County of Iron	Executive & legislative offices, combined	50-99 employees
Giovanoni True Value Hardware Inc	Hardware stores	50-99 employees
Art Unlimited Sportswear LLC	Other men's outerwear mfg.	50-99 employees
The Capps Corp	Supermarkets & other grocery stores	50-99 employees
Wayne Nasi Construction Inc	Commercial building construction	50-99 employees
Liberty Bell Chalet Inc	Limited-service restaurants	50-99 employees
Snow Country Hardwoods Inc	Other millwork, including flooring	20-49 employees

Source: DWD, Bureau of Workforce Information, ES-202, July 2005

Prominent industries in Iron County

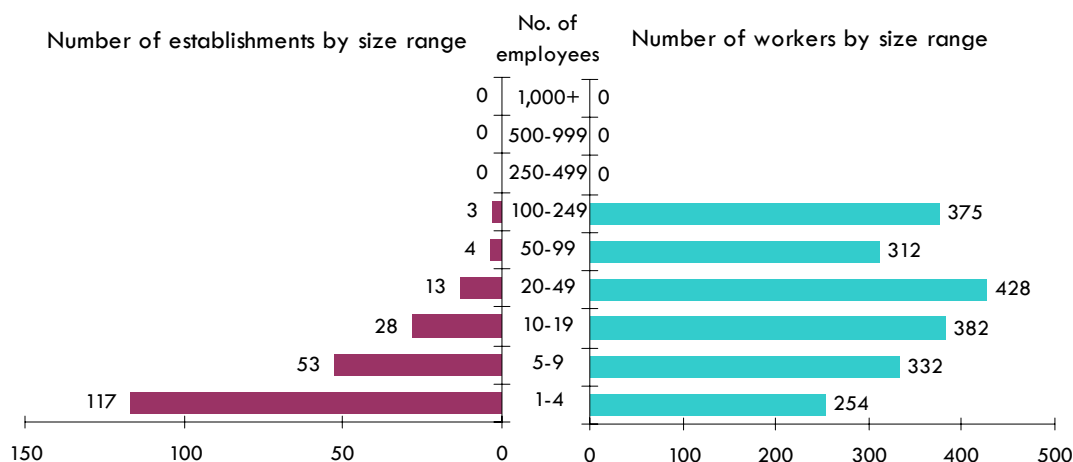
NAICS title	March 2005		Numeric change in employees	
	Establishments	Employees	2004-2005	2000-2005
Food services and drinking places	32	255	-5	32
Wood product manufacturing	6	224	-10	8
Educational services	*	*	not avail.	not avail.
Executive, legislative, & gen government	14	153	-2	8
Nursing and residential care facilities	*	*	not avail.	not avail.
Food and beverage stores	5	118	0	-34
Accommodation	8	104	14	25
Building material & garden supply stores	*	*	not avail.	not avail.
Construction of buildings	12	73	-4	-36
Specialty trade contractors	19	64	3	2

* data suppressed to maintain employer confidentiality

Column headings revised 02/06

Source: DWD, Bureau of Workforce Information, ES-202, September 2005

Iron County establishments and workers by employment size range in 2004



(1) Data not available due to suppression factors

Source: DWD, Bureau of Workforce Information, Table 221, July 2005

Most of the employers in Iron County are small, a point illustrated by the largest industry group in the county, food services and drinking places. The average establishment in the group has eight workers but because there are many, they provide 255 jobs. The overall average in the county is 8.2 jobs per establishment.

Only three of the county's employers, 1.2 percent of all employers, have more than 100 employees but together they provide 18 percent of all jobs.

One of the two school districts is the county's largest employers and in most rural counties school districts are often on this list. However the second district is small and not on the list because it has so few employees.

Manufacturing employers in the county provide 16 percent of the jobs in the county. Six of the 12 employers produce wood products, the second largest industry group in Iron County, and provide two out of every three manufacturing jobs. Two wood products employers are also among the largest in the county.

Construction is also important in the county with two industry groups on the prominent list. Employers in the industry export their labor well beyond the county's borders.

Per Capita Personal Income

The per capita personal income (PCPI) in 2003 in Iron County of \$22,912 ranked 57th highest among Wisconsin's 72 counties and was well below the Wisconsin PCPI of \$30,685. In the last year PCPI increased 1.4 percent much slower than increases in the state and nation. However since 1998 the PCPI increase of 21.1 percent ranked 10th in the state and was better than the change of 17.2 percent in Wisconsin and 17.1 percent in the nation.

The per capita personal income report from the US Dept. of Commerce, Bureau of Economic Analysis, includes wages and salaries from job-holders, self-employed, proprietorships, and farmers. It also includes income from dividends, interest and rent; and income from transfer payments like social security, Medicaid, unemployment insurance, veteran's benefits, and welfare. The total of all these sources of income is divided by the total population to arrive at the per capita personal income.

Factors such as a higher share of residents without income (generally children), or residents on a fixed income (generally the elderly) can lower the PCPI. Another factor that heavily influences PCPI is net earnings, which comprise 70 percent of total personal income in the state and only 54 percent in Iron County. Net earnings include income from wages and salaries, including supplements, self-employment, proprietorships and an adjustment for wages earned by residents who commute to jobs in other counties. That totaled \$10,278,000 in Iron County in 2003, or 12 percent of the total personal income of \$154,817,000. In the last year the residency adjustment increased 22 percent and over

the last five years it increased 28 percent. This increase was a major factor in the increase in PCPI. In spite of this the increase in the county's total personal income of 19.6 percent since 1998 lagged the five-year change in both Wisconsin and the United States. A major factor is the large share of elderly population and their reduced earning capacity.

Wisconsin Counties 2003 Per Capita Personal Income and Rank in State

Area	2003	Rank	5-yr growth	Rank	Area	2003	Rank	5-yr growth	Rank
United States	\$ 31,472		17.1%		Manitowoc	\$ 27,807	27	13.6%	59
Wisconsin	\$ 30,685		17.2%		Marathon	\$ 29,992	16	22.0%	5
Adams	\$ 22,804	59	16.1%	37	Marinette	\$ 25,448	39	21.3%	9
Ashland	\$ 23,204	55	16.6%	32	Marquette	\$ 22,590	64	26.5%	1
Barron	\$ 24,922	41	15.2%	44	Menominee	\$ 18,449	72	19.8%	16
Bayfield	\$ 22,660	62	13.4%	60	Milwaukee	\$ 31,419	7	19.5%	18
Brown	\$ 32,076	5	17.8%	25	Monroe	\$ 23,467	54	16.8%	31
Buffalo	\$ 29,083	20	17.2%	28	Oconto	\$ 24,842	42	12.3%	66
Burnett	\$ 22,796	60	17.1%	29	Oneida	\$ 28,646	22	18.7%	21
Calumet	\$ 31,880	6	21.4%	8	Outagamie	\$ 30,952	11	20.5%	14
Chippewa	\$ 25,999	36	12.3%	67	Ozaukee	\$ 47,527	1	14.7%	48
Clark	\$ 22,227	66	13.9%	55	Pepin	\$ 24,407	44	13.0%	64
Columbia	\$ 30,846	12	18.2%	24	Pierce	\$ 27,963	26	18.6%	23
Crawford	\$ 22,628	63	20.9%	13	Polk	\$ 24,201	46	13.9%	54
Dane	\$ 36,455	3	21.0%	12	Portage	\$ 27,464	30	21.1%	11
Dodge	\$ 26,048	35	13.3%	61	Price	\$ 24,361	45	12.2%	68
Door	\$ 30,657	13	15.9%	40	Racine	\$ 31,271	8	15.0%	45
Douglas	\$ 23,568	53	15.3%	43	Richland	\$ 23,829	51	21.9%	6
Dunn	\$ 22,885	58	14.9%	47	Rock	\$ 28,256	25	14.1%	50
Eau Claire	\$ 27,469	29	17.5%	27	Rusk	\$ 20,461	71	14.0%	52
Florence	\$ 24,146	47	25.3%	3	Sauk	\$ 28,780	21	19.5%	19
Fond du Lac	\$ 29,951	17	16.1%	38	Sawyer	\$ 23,921	50	22.3%	4
Forest	\$ 21,975	68	25.4%	2	Shawano	\$ 23,941	49	13.9%	56
Grant	\$ 24,116	48	15.6%	42	Sheboygan	\$ 31,251	9	19.8%	17
Green	\$ 28,542	23	14.0%	51	St. Croix	\$ 31,091	10	13.6%	57
Green Lake	\$ 26,962	32	8.1%	72	Taylor	\$ 23,020	56	16.6%	34
Iowa	\$ 27,308	31	19.2%	20	Trempealeau	\$ 25,242	40	18.7%	22
Iron	\$ 22,912	57	21.1%	10	Vernon	\$ 20,950	70	15.7%	41
Jackson	\$ 26,084	34	21.9%	7	Vilas	\$ 25,664	37	13.0%	63
Jefferson	\$ 29,330	18	16.5%	35	Walworth	\$ 27,626	28	13.6%	58
Juneau	\$ 22,382	65	12.7%	65	Washburn	\$ 22,794	61	16.0%	39
Kenosha	\$ 29,117	19	16.5%	36	Washington	\$ 35,196	4	14.9%	46
Kewaunee	\$ 25,536	38	8.8%	71	Waukesha	\$ 41,551	2	12.2%	69
La Crosse	\$ 28,284	24	16.8%	30	Waupaca	\$ 26,863	33	14.0%	53
Lafayette	\$ 21,983	67	10.1%	70	Waushara	\$ 21,762	69	13.2%	62
Langlade	\$ 23,739	52	20.4%	15	Winnebago	\$ 30,359	15	16.6%	33
Lincoln	\$ 24,725	43	14.6%	49	Wood	\$ 30,401	14	17.7%	26

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, Regional Economic Information System, May 2005